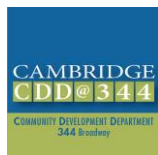




City of Cambridge Community Development Department

100% Affordable Housing Zoning: Background, Goals & Proposed Framework

City Council Housing Committee
March 5, 2019





Background

How we got here

Affordable Housing Goals & Strategies

- January 2015 – City Council policy order regarding feasibility of the City committing to creating 1,000 new affordable units by 2020
- Actions & strategies identified by CDD in 2015 to advance this goal include:

| Action / Strategy | Status |
|---|--|
| Maintain the commitment of 80% of CPA funds to affordable housing | Ongoing |
| Adopt recommended changes to Incentive Zoning Ordinance | Adopted 2015; reevaluation underway |
| Identify new City funding for affordable housing | New City funds in FY2017 budget; increased in FY2018 & FY2019 |
| Adopt recommended changes to Inclusionary Housing provisions | Adopted 2017 |
| Creating a new zoning standards or an overlay for affordable housing development which would allow additional development density, reduced parking and other relaxed dimensional standards to affordable housing developers | Current discussion |
| Creating streamlined process for the permitting of new affordable housing developments to allow predictable as-of-right permitting for affordable housing | Current discussion |

What is Affordable Housing Development?

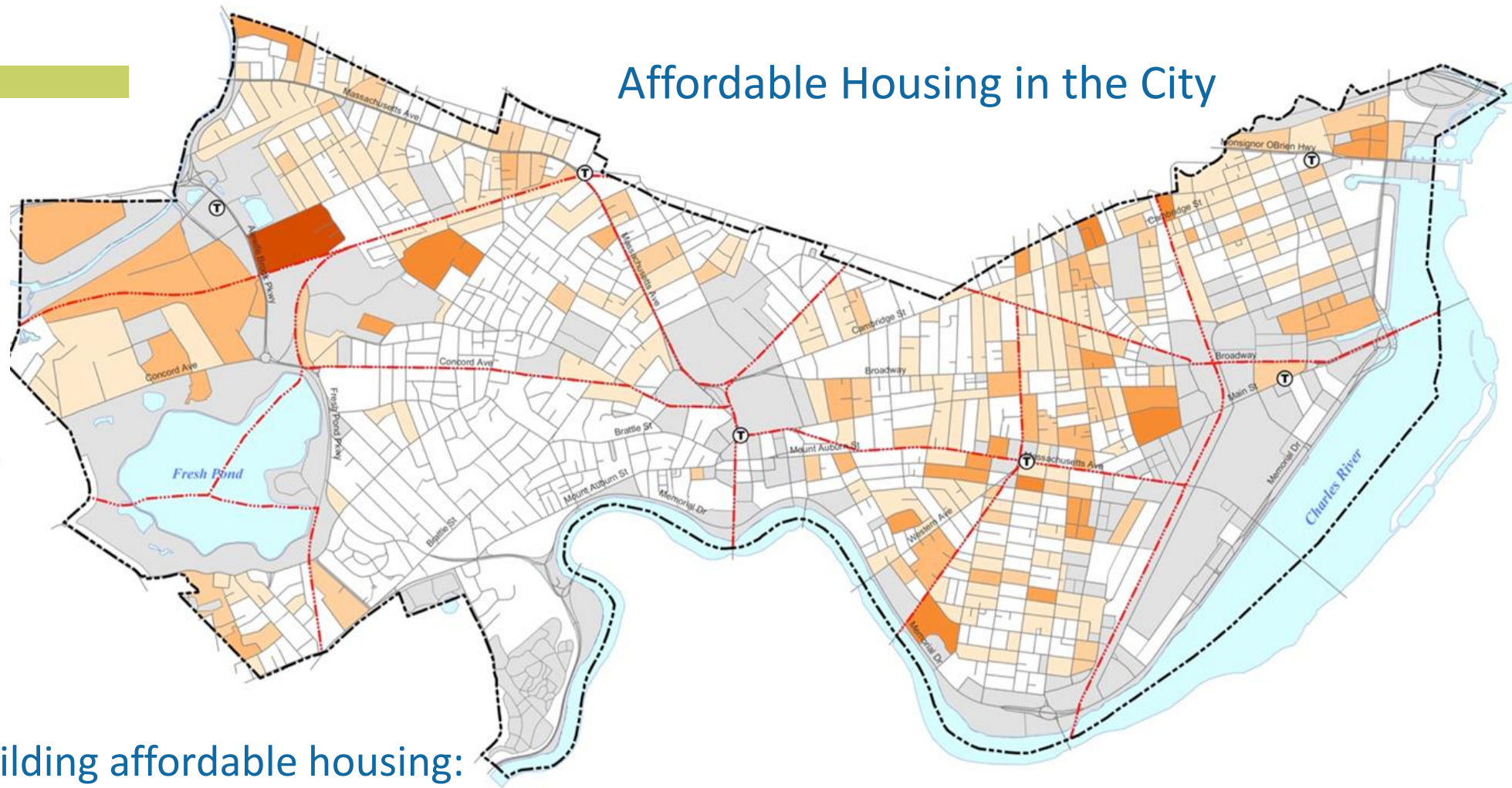
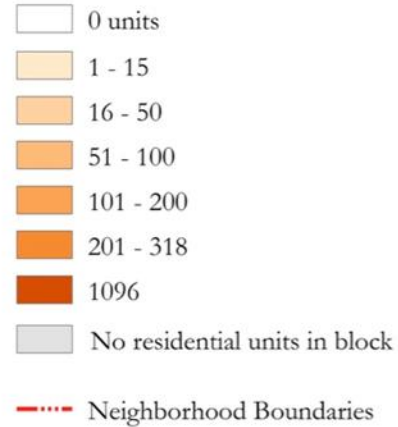
- Typically funded by the City's Affordable Housing Trust
- Affordable housing providers currently developing new affordable housing:
 - Cambridge Housing Authority
 - Just A Start Corporation
 - Homeowner's Rehab, Inc.
 - Capstone Communities / Hope Real Estate
- Affordable housing developers must:
 - Identify properties where affordable housing development is financially feasible
 - Compete in the market for buildings and sites
 - Assemble subsidy funding needed to build new housing from city, state and federal funders, often through competitions for scarce funding
 - Meet affordability, design, construction, management and operating criteria of all funders
 - Put in place long-term deed restrictions to ensure continued affordability of new housing created



The 70-unit Lincoln Way was approved by a comprehensive permit

Affordable Housing in the City

Number of Affordable Units



Challenges to building affordable housing:

- High land costs and competition from market-rate developers
- Appeal of discretionary approvals can add significant cost, long delays, and significant risk to affordable housing developers.
- More difficult to build affordable housing in some areas of the city given zoning limitations

Affordable Housing Development – recent challenges

- City funds used for property purchases; CDD tracks properties analyzed by affordable housing providers
- Approximately 1 in 10 opportunities recently assessed results in a successful purchase
- Often strong market interest makes a competitive offer infeasible;
- Purchase prices that can be supported by affordable housing providers cannot be supported by the amount of housing that can be built
- One recent example – affordable housing provider based an offer on 2x as many units as allowed by zoning, and offered more per-unit in land costs than we have ever seen -- and was outbid

| | New Opportunities Analyzed by Affordable Housing Providers | Existing Multi-family Housing | Sites for New Development | Offers Made | Properties Purchased |
|----------------|--|-------------------------------|---------------------------|-------------|----------------------|
| FY2016 | 14 | 6 | 8 | 7 | 2 |
| FY2017 | 13 | 6 | 7 | 2 | 1 |
| FY2018 | 15 | 7 | 8 | 3 | 1 |
| FY2019 to date | 8 | 2 | 6 | 0 | 0 |

Goals of Affordable Housing Overlay



Trolley Square: new construction of 40 affordable units in mixed-use development

- Help affordable housing providers have more success in purchasing sites to create new affordable housing;
- Foster equitable distribution of affordable housing citywide by expanding the viability of affordable housing in areas where there are fewer affordable units;
- Create opportunities in all neighborhoods for residents of all incomes;
- Make it easier to permit 100% affordable housing developments so that affordable housing developers can build needed housing more quickly; and
- Help reduce costs of building new affordable housing to accomplish more City with affordable housing funds.



Zoning Considerations

What we talk about when we talk about **Zoning**

Land Use Regulation

- Types of uses (residential, commercial, e.g.)
- Size and scale of development
- Development standards (setbacks, open space, parking, e.g.)

NOT Affected by Zoning

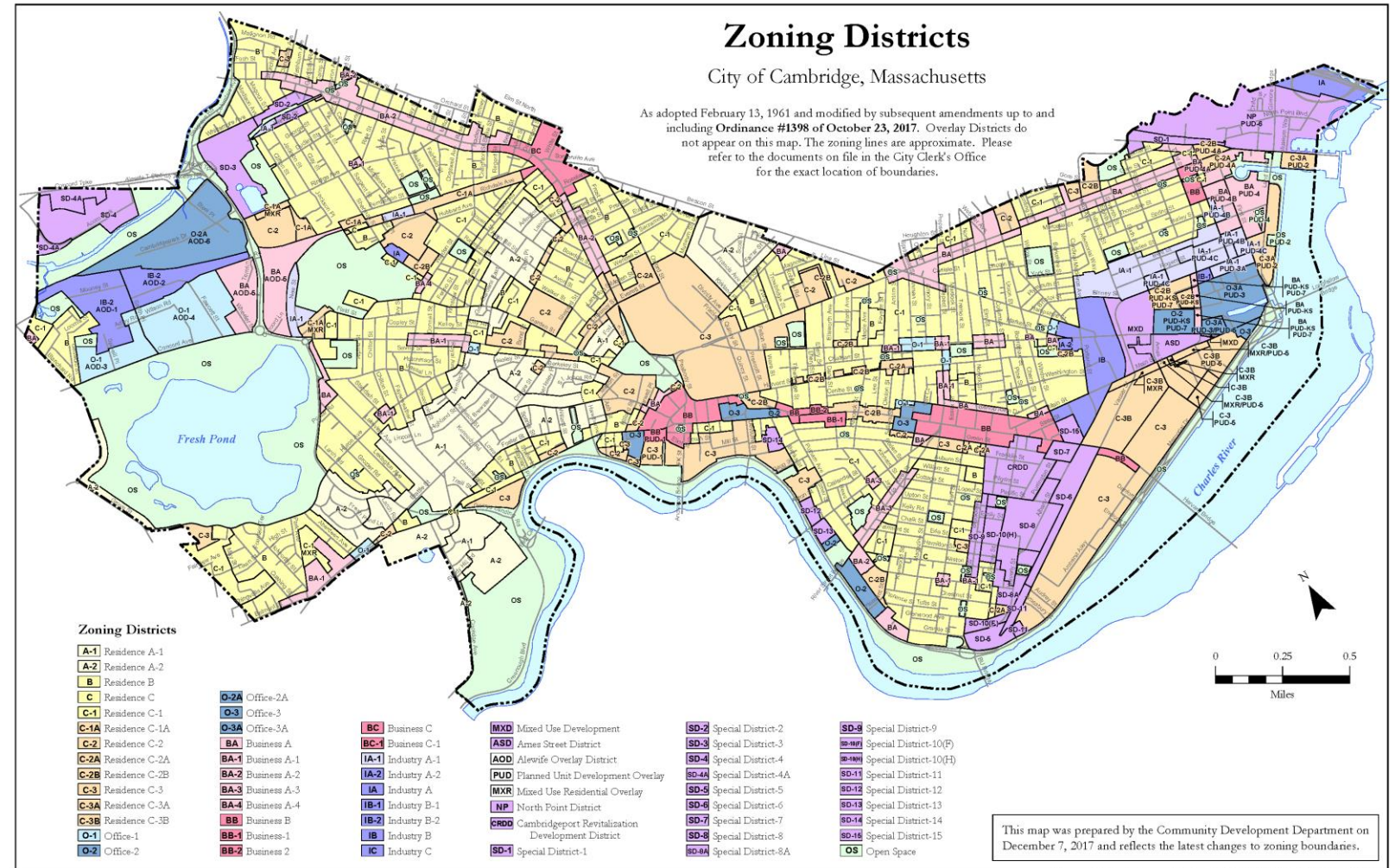
- Building Code
- Sanitary (Housing) Code
- Historic Regulations
 - Demolition Delay Ordinance
 - Historic Districts & Landmarks
 - Neighborhood Conservation Districts
- Other City Ordinances & Jurisdictions



The 40-unit Frost Terrace to begin construction in Porter Square this year was approved by a comprehensive permit

Our Current Zoning

- Some districts more restrictive than others
- Most districts allow multifamily housing; some only allow single-family or two-family homes



Our Current Zoning

- Many existing buildings don't conform to current standards (e.g. setbacks, parking)
- Special permit review processes and variances are typical





Citywide Affordable Housing Overlay Proposal

Conceptual Framework



The 40-unit Putnam Green was approved by a special permit by the Planning Board

Applies only to “100%-Affordable Housing”

- **All units** subject to long-term affordability restrictions held by City
 - At least 80% of homes to be affordable to households earning less than 80% of Area Median Income (AMI)
 - Up to 20% of homes can be affordable to households earning less than 100% of Area Median Income
- Homes rented or sold to income-eligible households at affordable amounts

| Household Size | 80% AMI | 100% AMI |
|----------------|----------|-----------|
| 1 person | \$56,800 | \$75,500 |
| 2 persons | \$64,900 | \$86,300 |
| 3 persons | \$73,000 | \$97,100 |
| 4 persons | \$81,100 | \$107,800 |

2018 Income Limits

Affordable Housing Overlay: Existing Buildings

- Encourage preservation by allowing existing non-conforming buildings and site conditions to be maintained
- Affordable housing allowed at higher density within existing buildings
- Conforming additions allowed



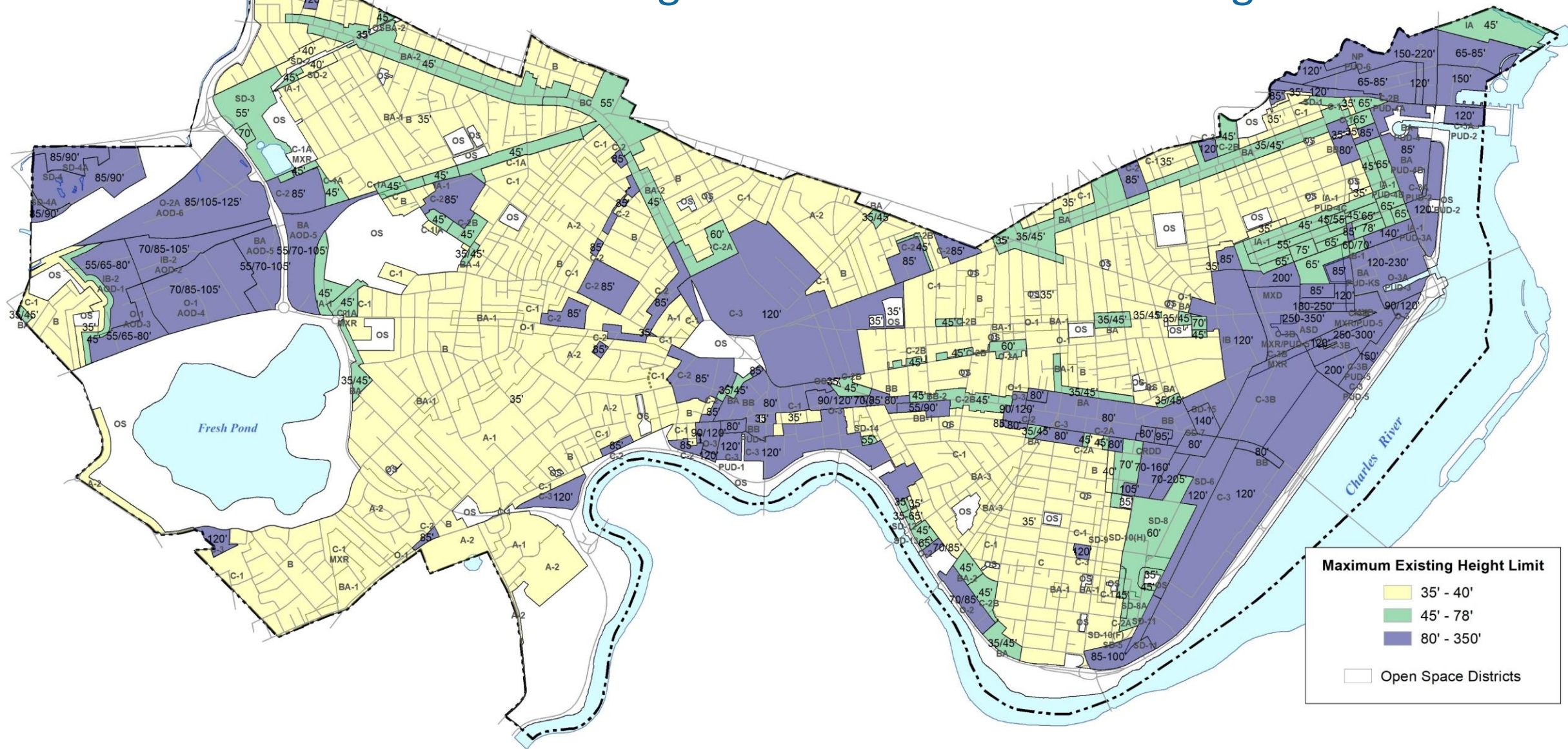
The conversion of a historic building on Bigelow Street into 10 studio and 1-bedroom apartments was approved via a comprehensive permit

Affordable Housing Overlay: “Form-Based” Approach

- Focus on scale and height of buildings rather than density & floor area ratio (FAR)
- Dimensional controls for setbacks and open space
- Clear requirements for building and site design that are straightforward to apply
- Advisory review instead of discretionary permits and waivers



Auburn Court Apartments on Brookline Street

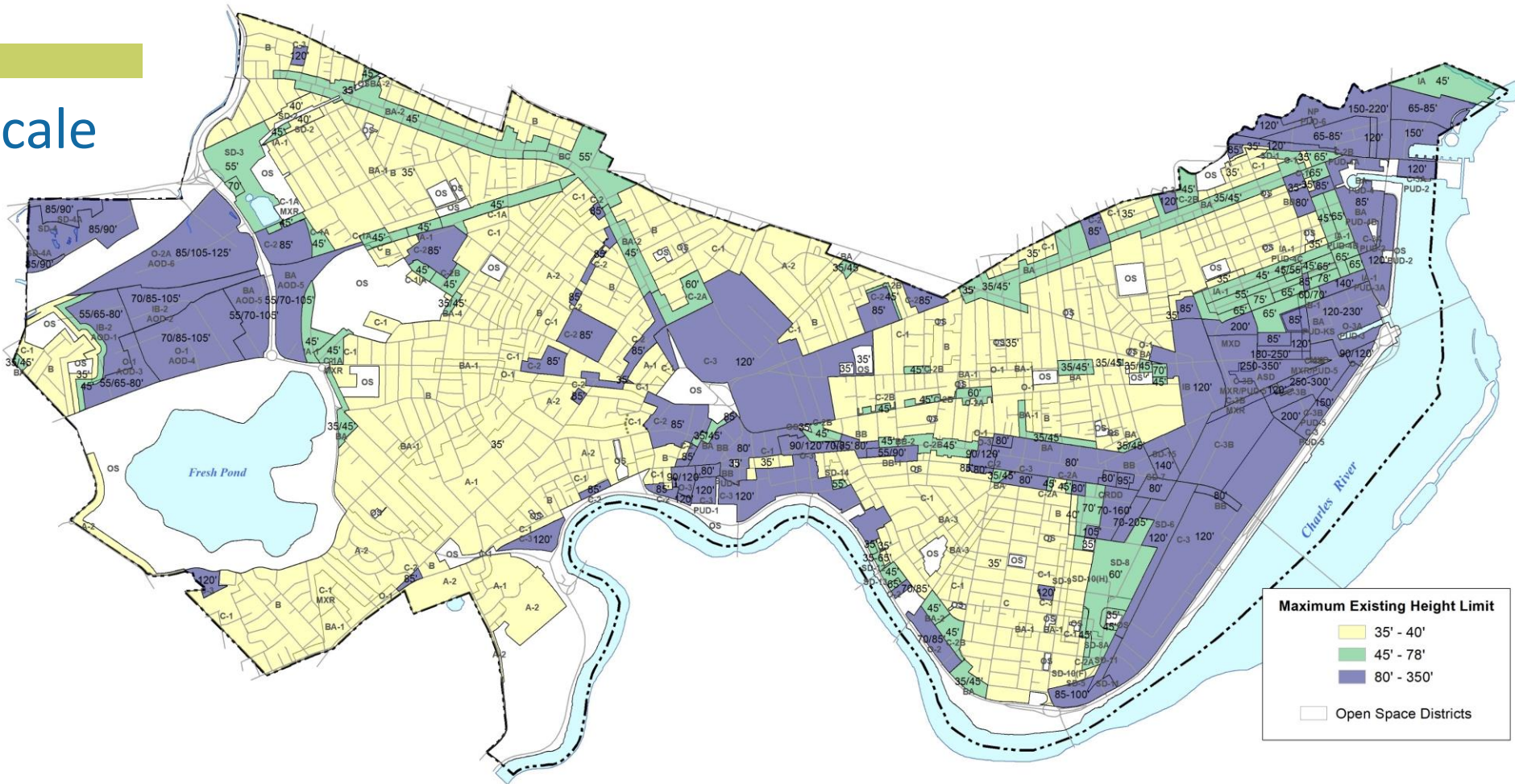


Height and Scale – Affordable Housing Overlay

| If the District Allows: | 40 feet or less (~3 stories) | More than 40 feet (~4 or more stories) |
|---------------------------------|---|--|
| 100% Affordable Housing Can Be: | 4 stories (up to 45 feet, or 50 feet with active ground floor) | 7 stories (up to 80 feet) District height, if greater |



Height and Scale



| If the District Allows: | | 100% Affordable Housing Can Be: | |
|--|--|---|--|
| ➤ 40 feet or less (~3 stories) | | ➤ 4-story buildings (up to 45 feet, or 50 feet with active ground floor use) | |
| ➤ More than 40 feet (~4 or more stories) | | ➤ 7-story buildings (up to 80 feet) | |
| ➤ More than 80 feet | | ➤ District height, if greater than overlay (more than 80 feet) | |



Setbacks and Open Space

Setbacks

- Fixed, not formula-based
 - 10-foot front
 - 5-foot sides
 - 20-foot rear
- Normal district setbacks apply if less restrictive
- Front yards can match surrounding buildings

Open Space

- Minimum 15% open space
- Permeability requirement
- Flexibility in dimension/location
- With same lot coverage, can have more open space with less parking

Parking

Reduced ratios for 100% Affordable Housing to 0.4 space/unit

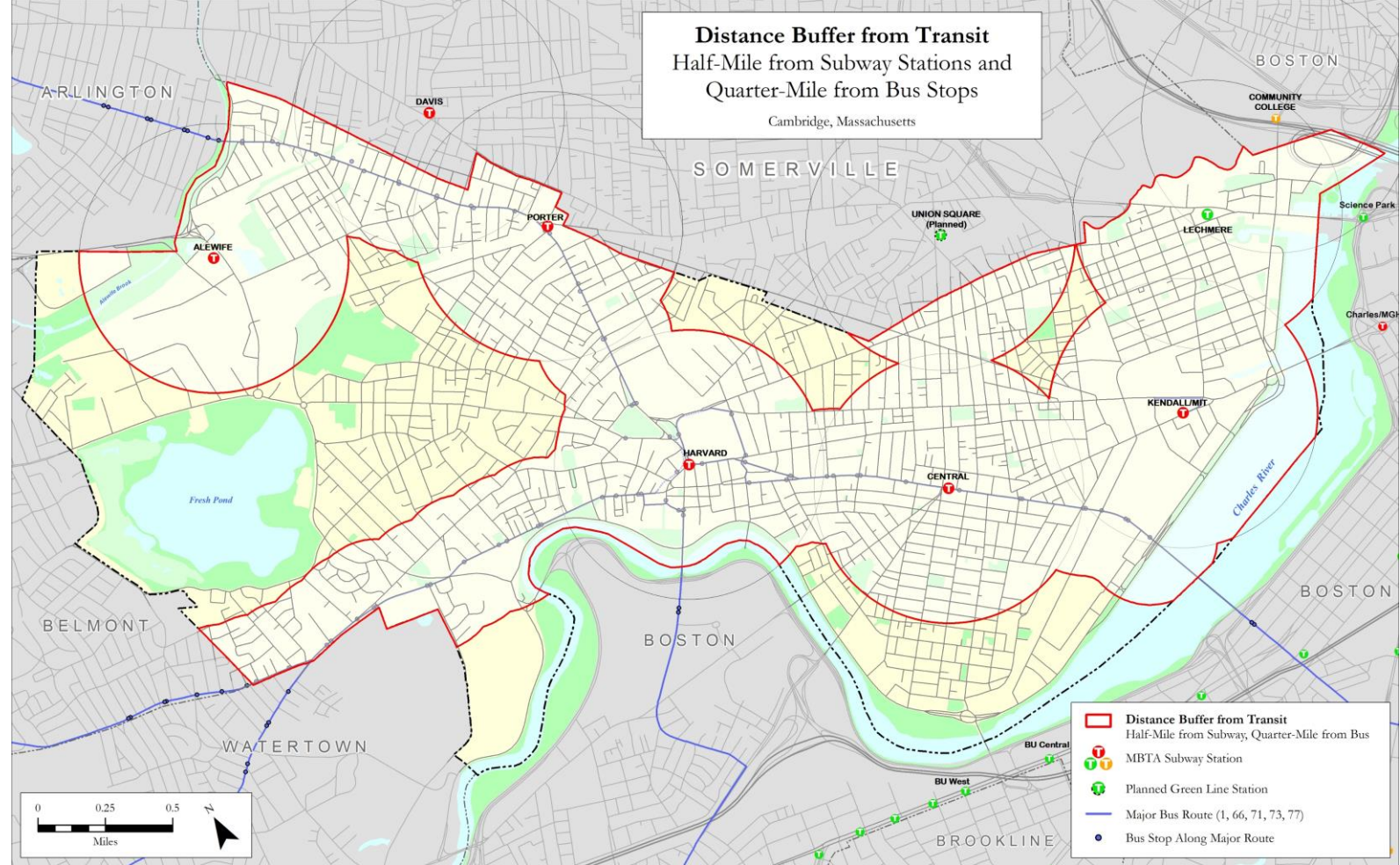
Not required in cases where:

- Existing building is preserved
- Project is near transit
- Curb cuts would be detrimental due to small site

Where parking is provided:

- Off-site parking allowed within 1,000 feet
- Some layout/dimensional requirements can be waived

Bicycle parking provided, flexibility in location/layout requirements



Parking utilization survey for affordable housing

| | | |
|-----------------|-------|----------------------|
| Properties | 24 | |
| Units | 1,076 | |
| Spaces provided | 623 | 0.58 space/unit |
| Cars Parked | 425 | 0.39 car/unit |



Main and Cherry Condos: 10 affordable units approved by comprehensive permit

Building & Site Design Standards

- Ground floor design (with active use in key locations)
- Transparency on façades
- Façade relief (bays, balconies, projections)
- Massing articulation (separation of long facades)
- Transitions from higher to lower districts
- Screening of parking, mechanicals

Balance between prescriptiveness and allowance for creative variation

Environmental Standards

- Green building requirements
- Stormwater management
- Noise control for mechanicals
- Shielded site lighting
- Trees and vegetation
- Flood plain standards



Rendering of Concord Highlands Apartments - approved by comprehensive permit.



The comprehensive permit approved for the 40-unit Temple Place was appealed, delaying the project for almost 3 years, and forcing a re-design of the building which resulted in the reduction of family-size units and the loss of 2 units

Community Engagement & Advisory Design Review

1. Design guidelines to establish objectives, preferred approaches
2. Neighborhood meetings to gather comments, help shape development concept and proposal
3. Design review and development with CDD staff
4. Public advisory design review session at Planning Board, report to Affordable Housing Trust and CDD
5. Building permit if zoning requirements are met and review process is followed

Summary of Affordable Housing Overlay Zoning Proposal

| | |
|--|--|
| Eligibility: “100%-Affordable Housing Projects” | All units subject to long-term affordability restrictions, occupied by income-eligible households, rent or initial sale price is affordable to eligible households |
| Existing Buildings | Non-conforming buildings can be adapted for reuse |
| Height and Scale | Districts allowing ≤ 40 feet: up to 4 stories Districts allowing > 40 feet: up to 7 stories |
| Dimensional Standards | Fixed setbacks rather than formula; minimum open space with permeability standards, flexibility in open space arrangement |
| Parking | 0.4 space/unit; waivers for existing buildings, sites near transit, small sites; off-site parking allowed |
| Building and Site Design Standards | Ground floors, facades, massing, screening of parking and mechanicals |
| Environmental Standards | Green building, resilience, noise and lighting control, trees and vegetation |
| Advisory Review | Advisory process involving neighborhood, staff, Planning Board, Affordable Housing Trust |

• Questions

• Next Steps

- Gather comments on approach and proposed requirements
- Develop details of a zoning petition



Thank You